

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK

In Re:

PATRICK HACKETT HARDWARE
COMPANY d/ba WISEBUYS
STORES d/ba/ HACKETTS,

Debtor.

AFFIDAVIT IN SUPPORT OF
MOTION TO APPROVE SALE OF
PROPERTY

Ch. 11
Case No. 09-63135

STATE OF NEW YORK)
)
COUNTY OF ST. LAWRENCE) ss

Thomas W. Scozzafava, being duly sworn, deposes and says:

1. I am Chairman of the Board of Directors of the Patrick Hackett Hardware Company ("Debtor" or "PHHC") and its Chief Financial Officer. I make this Affidavit in support of the Debtor's motion to approve the sale of certain real property owned by the Debtor at 1301 State Street, Ogdensburg, New York (the "Property") pursuant to Section 363(f) of the United States Bankruptcy Code.

2. The Property consists of a one story steel frame auto-related sales/service building containing approximately 22,000 square feet of floor area on 1.8 acres of land across State Street from the Debtor's principal home office and store.

3. The Debtor acquired the property in 2006 for \$400,000.00. A copy of the Deed is attached as Exhibit "A". The Property is currently assessed for \$500,000.00.

4. Prior to the filing of the Petition for Relief in this case on November 11, 2009 ("Petition Date"), the Debtor used the Property for the purposes of a line of business involving the sales and service of all terrain vehicles. Kawasaki was its main vendor. Prior to the Petition Date, Kawasaki terminated the dealer agreement and removed its inventory.

5. Thereafter and during the pendency of this case, the Debtor used the Property for purposes of miscellaneous storage and small engine repair. However, the small engine repair business was not profitable and the Debtor has closed that business. Consequently at this time, the Property is unnecessary for the Debtor's retail business, and it represents surplus property that is now a burden on the estate.

6. It has been known in the community that the Property has been available for purchase. A couple of inquiries were made and the Debtor indicated that the asking price was \$550,000.00. No offers were received until recently.

7. Recently, the Debtor has received, and has accepted subject to Bankruptcy Court approval, a purchase offer in the amount of \$400,000.00, a copy of which is attached as Exhibit "B".

8. It is my opinion that this is the highest and best offer that the Debtor is likely to receive, and that it is a fair and reasonable offer given the conditions of the real estate market in Ogdensburg, New York. Moreover, there exists a limited market for this type of property. The buyer is a strategic buyer who owns a local NAPA franchise and intends to move his existing store into the Property. Prior to the Debtor's acquisition of the Property in 2006, it was used to house a NAPA franchise, and the Property is well suited for that purpose. Consequently, your deponent recommends that the Court approve the sale, and authorize the Debtor to consummate the transaction.

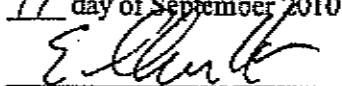
9. At Debtor's request, Brownell Abstract Corporation performed a title search, a copy of which is attached as Exhibit "C". As indicated therein, YA Global Investments LP, as Assignee from Community Bank NA, has a first mortgage lien position on the Property. Kelly Sales Corp.

has a small judgment in second position. There are several other judgment liens on the property all of which were recorded during the preference period.

10. It is the Debtor's intention that the liens on the Property would attach to the proceeds of the sale in order of priority, and that the Debtor would be authorized to distribute the proceeds upon closing in accordance with those lien priorities.

WHEREFORE, your deponent respectfully requests that the Court grant an Order approving the proposed sale, authorizing the Debtor to take the necessary steps to consummate the sale and transfer title, and authorizing the Debtor to distribute the closing proceeds in accordance with the indicated lien priorities.


Thomas W. Scozzafava

Sworn to before me this
17 day of September 2010

Notary Public

J. ERIC CHARLTON
Notary Public in the State of New York
Qualified in Onondaga Co. No. 4846443
My Commission Expires July 31, 2011